

AGREEMENT of UNDERSTANDING  
BETWEEN

STATE OF MICHIGAN  
MICHIGAN DEPARTMENT OF CAREER DEVELOPMENT  
MICHIGAN REHABILITATION SERVICES (MRS)

AND

Name \_\_\_\_\_ (EN)  
Who is a (non-profit corporation) (for profit corporation) located at  
Address: \_\_\_\_\_  
City, State: \_\_\_\_\_  
Zip: \_\_\_\_\_

1. Statement of Purpose

Under the federal Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170, Title I, Subtitle A, 42 U.S.C. 1320B-19 *et seq* ("Act")) and the regulations of the Social Security Administration ("SSA") implementing the Act (20 CFR Part 411), qualified individuals with disabilities are allowed to seek the goods and services necessary to obtain and retain employment and to reduce their dependency on cash benefit programs by receipt of a Ticket to Work, as defined in the Act. SSA, through its Program Manager, Maximus, Inc., has expanded the number of entities who can provide rehabilitation goods and services to SSA recipients. An Employment Network (EN) is any qualified entity that has entered into an agreement with SSA to function as an employment network under the Ticket to Work program and assume responsibility for the coordination and delivery of employment services, vocational rehabilitation services, or other support services to Ticket holding beneficiaries.

The EN and the MRS enter into this Agreement effective on \_\_/\_\_/\_\_\_\_ to meet the requirements of the Act at 20 CFR Part 411.405-435. The goals of the agreement are as follows:

- A. To define a mechanism to reimburse MRS for goods and services provided to the Ticket holder, when the EN holds the Ticket and wishes to make a referral to MRS as part of their coordination of services requirement under 20 CFR 411, Subpart E;
- B. To build a cooperative relationship between MRS and the EN for the provision of vocational goods and services for EN customers under the Ticket to Work program;
- C. To ensure that best practices and ethical standards are maintained and that the customer's rights and meaningful choices are respected;
- D. To maximize appropriate outcome and reimbursement payments to the EN and MRS that are available under the Ticket to Work programs;
- E. To minimize, to the extent possible, the administrative burden associated with the Ticket to Work program;
- F. To expand vocational resources for vocational goods and services for EN customers;
- G. To reduce, to the extent possible, duplication of goods and services to customers.

## 2. Responsibilities of Employment Network

The EN may refer an eligible customer to MRS under the following conditions :

- A. An Agreement between MRS and the EN has been negotiated and is currently valid;
- B. The customer has agreed to MRS participation, applies for and is determined eligible for MRS goods and services;
- C. The EN provides MRS with written verification of SSA Ticket assignment;
- D. The customer signs release of information forms permitting MRS access to all customer information;
- E. The EN provides MRS with a current and complete copy of the Individualized Work Plan (IWP) and any amendments within five (5) business days of signing ;
- F. The IWP written by the EN is consistent with the customer's abilities and capabilities , informed choice and meets all requirements of 20 CFR 411, Subpart G. Additionally, any goods and services, terms, or conditions within the IWP must be consistent with applicable laws. Any goods and services indicated in the IWP that require authorization from MRS must be consistent with the Rehabilitation Act, and approved by an MRS Counselor in a signed Individualized Plan for Employment (IPE);
- G. The EN shall inform the customer that MRS is not legally obligated to perform any functions of the EN;
- H. The EN assumes all costs associated with the IWP. MRS shall only pay for those goods and services agreed to in writing by MRS;
- I. The EN provides tracking, reporting, and maintenance of all Ticket to Work program financial records. This information shall be available to MRS for review during normal business hours, and shall include but not be limited to EN expenditures for the customer, MRS documented expenditures for the customer, monies paid to the EN by SSA for its work, and monies distributed to MRS for its work;
- J. The EN will coordinate and provide all required reporting to the Program Manager (Maximus);
- K. The EN will provide monthly written updates to MRS on the customer's progress toward employment.

## 3. Responsibilities of MRS

MRS agrees to:

- A. Actively participate in IWP/IPE planning including reviewing the IWP and amendment(s), employment goal, goods and services, and proposed goods and services MRS will provide;
- B. Respond in writing to the EN within ten (10) business days regarding MRS's decision to accept, reject or request modification of the IWP and/or its amendment(s). MRS is not obligated to concur with the employment goal and/or requested goods and services. If there is disagreement, the MRS counselor and/or MRS District Manager will try to resolve the issue informally through negotiation with the customer and the EN. MRS shall not be responsible to provide any goods or services under dispute;
- C. Provide goods and services on a referral by referral basis ;
- D. Prepare all required authorizations in order to fund agreed upon goods and services;

- E. Maintain full documentation of all activity associated with the customer and provide all associated records as appropriate during normal business hours;
- F. Inform customers of their rights and responsibilities within the public vocational rehabilitation program;
- G. Provide only those goods and services necessary to achieve employment. MRS shall not provide vehicle purchase or repair for any referral.

#### 4. Shared Roles and Responsibilities

- A. MRS and the EN will work to ensure all participating customers are informed of their rights and choices under the Ticket to Work program.
- B. MRS and the EN will assist customers with access to information regarding how employment impacts their federal benefits, state benefits, and healthcare coverage and, when appropriate, refer customers to available benefits counseling services;
- C. MRS and the EN will operate under the spirit of cooperation that includes maintaining communication and informing one another of status developments and changes;
- D. MRS and the EN will assure all goods and services provided are cost effective and utilize community resources whenever possible.

#### 5. Dispute Resolution

- A. Any disputes between beneficiaries and ENs are to be resolved per federal regulations at 20 CFR Part 411, Subpart I.
- B. In situations when the customer is unsatisfied with MRS:
  - a. Disputes related to goods and services will follow the MRS appeal process as outlined in the MRS Rights and Responsibilities Brochure and MRS policy.
- C. In situations in which there is a dispute between MRS and the EN, the following steps will be taken:
  - a. Informal resolution will be attempted. This involves discussions between the EN and the appropriate MRS staff (Counselor, Site Manager or District Manager at the local level, and/or the MRS Ticket Coordinator, Senior Manager of the SSA Initiative or the State Director).
  - b. Should the informal dispute resolution process fail to satisfactorily resolve the dispute, the matter shall be referred to the Program Manager (MAXIMUS) for resolution. If either the EN or MRS does not agree with the Maximus recommended resolution to the dispute, the EN or MRS has 30 calendar days after receiving the Maximus 's recommendation to request a decision by SSA on the matter in dispute.
  - c. None of these steps shall preclude MRS from pursuing any right or remedy in any court or other appropriate forum.

#### 6. Compensation

The EN will notify MRS within 30 business days when a customer has reached an employment level qualifying the EN for either "Outcome" or "Outcome Milestone" payments under the Ticket to Work programs. The EN will reimburse MRS in the following manner:

- A. Fifty percent (50%) of all payments made to the EN by SSA shall be paid to MRS until MRS is fully reimbursed for all invoiced costs. Actual payments to MRS, for its share of the SSA payments, will

be made by the EN within 30 days of the date the EN receives payments from SSA. Remittance to MRS is to include the name of the customer served, SSN, and invoice tracking information. Payments are to be made to

Michigan Department of Career Development  
Michigan Rehabilitation Services  
201 N. Washington Square  
Lansing, MI 48913  
ATTN: Ticket to Work Program

- B. At the time of case closure, MRS will send the EN a final invoice for goods and services provided by MRS. Totals due MRS will include administration/tracking fees per Social Security Administration's cost reimbursement formula;
- C. By signing this agreement, the EN assigns all its interests in future SSA payments to the extent those payments represent reimbursement to MRS.

## 7 Confidentiality and Information Sharing

The parties to this Agreement of Understanding shall use their best efforts to maintain open lines of communication and share information as necessary to best serve eligible SSA beneficiaries.

Information provided by MRS can be used by the EN only for the accomplishment of an employment outcome for the customer. All parties shall maintain the confidentiality of all customer information in accordance with the Rehabilitation Act of 1973, as amended, and MRS policy and regulations.

## 8 Additional Terms and Conditions

- A. If the EN considers terminating the EN/Customer relationship for any reason, the EN, MRS, and the customer will discuss the customer options. Under no circumstances will MRS be required to assume any IWP obligations.
- B. Non-assignment – any attempt to assign either party's duties or responsibilities under this agreement shall be void without prior written consent of the other party.
- C. Non-discrimination and access – any supplier and/or lessee shall not discriminate against any person because of race, color, religion, gender, age or national origin or otherwise commit an unfair employment practice.
- D. There will be compliance with all federal, state and local Civil Rights laws,
- E. Termination – this agreement may be terminated without cause upon 30 days' written notice by either party during the term of this agreement.
- F. The EN shall maintain financial records, supporting documents, statistical records, and all other records pertinent to this Agreement for a period of five years following the submission of the final request for payment. These records shall be subject to inspection by MRS, the Department of Career Development successor or designee and the State Auditor.
- G. In accordance with MRS comparable benefits policies and regulatory guidelines, MRS will provide only those goods and services not offered by the EN as indicated in the application to

SSA/Maximus.

- H. This Agreement shall be governed by and construed under the laws of the State of Michigan, U.S.A., without reference to any conflicts of law provisions. The EN irrevocably consents with respect to any claims it has against the State of Michigan, arising out of or in connection with this Agreement, to the exclusive jurisdiction of the Michigan Court of Claims or the Ingham County Circuit Court, in whichever court jurisdiction may be proper, and, with respect to any action by the State of Michigan against the EN, to the exclusive jurisdiction of the applicable State of Michigan District or Circuit Court. With respect to any claim between the parties, the EN consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. The EN agrees to appoint agents in the State of Michigan to receive service of process.
- I. Each provision of this Agreement shall be deemed to be severable from all other provisions of this Agreement and, if one or more of the provisions of the Agreement shall be declared invalid, the remaining provisions of the Agreement shall remain in full force and effect.

This agreement shall constitute the entire agreement between the parties.

For and on Behalf of the Employment Network (EN)

Authorized Signature	
Typed Name	
Title	Date

For and on Behalf of Michigan Rehabilitation Services (MRS)

Authorized Signature	
Typed Name	
Title	Date